



Arizona Administrative Code Associated with HB2526

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Our first care is your health care
Arizona Health Care Cost Containment System

"Reaching across Arizona to provide comprehensive quality
health care for those in need"

Arizona Administrative Code

- TITLE 9. HEALTH SERVICES
- Chapter 28. Arizona Health Care Cost Containment System, Arizona Long-Term Care System
- Article 7. Standards for Payments
 - R9-28-702 relates to the assessment
 - R9-28-703 relates to the supplemental payments



R9-28-702: Assessment

- ❑ Assessment applies to all Nursing facilities except for ICFMRs, CCRs, tribally owned facilities, and facilities with 58 or fewer beds
- ❑ AHCCCS shall compute the tax based upon UAR data.
- ❑ Tax is \$7.50 per non-Medicare bedday
- ❑ Tax is \$1.00 per non-Medicare bedday for facilities with high Medicaid utilization (statistical calculation determines this)
- ❑ Assessment, in aggregate, shall not be greater than 3.5% of net patient services revenue
- ❑ AHCCCS gives tax amounts to the Department of Revenue



R9-28-703: Payment

- ❑ 1% of Fund goes toward administration of the tax and supplemental funds
- ❑ No payment to ICFMRs
- ❑ Payments based on 12 months of AHCCCS bedday data. Each facility's percentage of total beddays is the percent of the fund they will receive
- ❑ Four quarterly payments made by AHCCCS or its contractors
- ❑ A facility must be open on the day of distribution in order to receive a payment





Reconciliation

- After the assessment year, AHCCCS will reconcile supplemental payments to deposits



Rule Changes

- Administrative Code was the first detailed documentation of how HB2526 to be implemented
- State Plan Amendment to CMS, describing implementation
- AHCCCS will revise Rules to become consistent with SPA and to define some issues that were not originally addressed
 - New Nursing Facilities
 - Change of Ownership



New Facilities

- Tax is based upon UARs available on August 1st of each year
 - New facilities will be taxed once they have a UAR available on an August 1st collection date
- Payment is based upon AHCCCS 12 months of claims and encounter data ending January 31 of the year that the payment data is calculated
 - New Facilities will receive supplemental payment when they have data in the collection period



Change of Ownership

- Tax assessment will stay with facility, based upon utilization, regardless of ownership
 - Owners should address in purchase contract
 - AHCCCS should be notified of CHOWs
- Payment will stay with facility, based upon beddays, regardless of ownership
 - Owners should address in purchase contract
 - AHCCCS should be notified of CHOWs





Questions?

